

U.S. Department of Housing and Urban Development Office of Public and Indian Housing

Special Attention of: Notice PIH 2007-28 (HA)

Public Housing Agencies
Public Housing Hub Office Directors

Public Housing Program Center Directors

Regional Directors
Field Office Directors

Resident Management Corporations

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Cross Reference: PIH Notice 2006-10

SUBJECT: Changes in the Project Numbering System and Process for Requesting Changes in Project Identifications

1. Purpose

This notice provides guidance and instructions to public housing agencies (PHAs) related to: (1) changes in the project numbering system for public housing; and (2) requests from PHAs to make changes in project identifications.

2. Background

Historically, as each public housing project (or development) is added to the public housing inventory (i.e., gets built or acquired pursuant to 24 CFR part 941), it is assigned a project number. All of the buildings within the project are tied together through the assignment of the same project number. Generally, that project number has consisted of eight digits, with the first two digits identifying the state where the PHA is located, the next three digits identifying the PHA (PHA code), and the final three digits identifying the unique project number within that PHA. In some infrequent instances, projects also have a three character suffix that is part of the project number. For example, as illustrated below, the Metropolitan Gardens project, in Birmingham, AL, is project number AL00100300R.

State Code	PHA Code	Project Code	Suffix
AL	001	003	00R

Project numbers are often displayed as 8 characters without a suffix or with a suffix displaying one, two, or three characters. Upon receiving funding reservations, projects were assigned numbers sequentially such that the first project would be numbered 001, the second 002, and so on. However, some projects, after receiving an initial funding reservation, may not have been completed; hence, there may be a break in project numbers within any particular PHA.

Over the past seven years, HUD developed the Public Housing Information Center system (PIC) to capture key program information. A project's project number is used extensively in PIC for various program reporting.

The Operating Fund Program final rule was published on September 19, 2005, requiring PHAs to convert to asset management. As part of that final rule, PHAs were required to identify projects for asset management. PIH Notice 2006-10, Identification of Projects for Asset Management, issued February 3, 2006, provided instructions to PHAs in making such project identifications. At the time, the term "Asset Management Project" or "AMP" was given to differentiate between the original projects, as currently reported in PIC, and the new groupings of buildings under asset management.

Pursuant to PIH Notice 2006-10, PHAs were instructed to assign a 12-digit number to each building in its inventory. All of the buildings that were assigned the same number formed a single AMP. The AMP numbering system differed from the original project numbering system only in that: (1) the project code consisted of six digits; and (2) all AMP numbers ended with a "P."

This initial 12-digit AMP numbering system was a temporary means of identifying AMPs without the need for larger reprogramming within PIC. However, this temporary solution has required PHAs to continue to maintain, for various PIC reporting, the original project numbers. For example, PHAs today continue to report on the form HUD-50058, Family Report, and use the original project number(s).

This notice describes how HUD will replace existing project numbers in PIC with new project numbers that will mirror the configuration of AMP building groupings and AMP numbers. Once HUD implements the conversion to new project numbers, the new project numbers will be used for program/PIC reporting.

Effective with the implementation of this notice, the term "old project number" will refer to the original project number assigned to each project during its development stage. The term "new project number" will refer to the new project number that will be assigned to each AMP. Henceforward, the terms "AMP," "project," and "new project number" will be synonymous.

3. Conversion to New Numbering System for Projects

Conversion Process

Aligning PIC systems to accommodate the current AMP numbers would be a massive and lengthy exercise, requiring elaborate system changes for both HUD and PHAs. The simplest method to accomplish the goal of one numbering system inside the PIC for reporting is to assign a new 11-digit project number for each AMP. The old project numbers will be archived. This new project number would then be controlling for reporting within PIC, Public Housing Assessment System (PHAS), and other HUD systems that use project numbers. The alignment of buildings to projects under the new project number would also be controlling for all other purposes where statutes or regulations refer to the terms "project" or "development," except as outlined elsewhere in this notice. The new project numbering system will also allow PHAs to use the new project number for both reporting the form HUD-50058s and for reporting building and unit data within PIC. HUD intends to perform the conversion to new project numbers in January 2008.

Format for New Project Numbers

The new project number will be the AMP number without the "P" character at the end. Public housing project numbers will be converted in this manner for buildings in the public housing inventory. Assignment of the new project numbers will be made at the building level. HUD will publish technical documentation with the specifications of the new project numbers and other technical references on its PIC webpage at:

http://www.hud.gov/offices/pih/systems/pic/

Additional technical specifications such as the form HUD-50058 Technical Reference Guide and Moving-To-Work Technical Reference Guide are published at:

http://www.hud.gov/offices/pih/systems/pic/50058/pubs/trg/index.cfm

Resolving Duplicate Building Numbers in a Grouping

When PHAs grouped buildings into AMPs, in some instances, duplicate building numbers were created in a grouping. Such duplication would prevent buildings from being uniquely identified. HUD needs to be able to uniquely identify buildings for multiple purposes (including formula funding calculations, PHAS physical inspections, form HUD-50058 reporting, etc.). Therefore, PIC cannot accommodate duplicate building numbers within a project. HUD will make available a duplicate building numbers report for PHAs. The report will show which AMP(s) have a duplicate building number that will need to be changed before the conversion to the new project numbering system is implemented. These PHAs will have an opportunity to renumber buildings in accordance with their preference. PHA will have until October 15, 2007, to renumber those buildings with duplicate numbers within an AMP.

If PHAs do not renumber duplicate building numbers within an AMP by October 15, 2007, HUD will assign building numbers according to the convention described below before HUD converts to new project numbers. PHAs that elect not to renumber their duplicate building numbers will find technical reference for the date, method, and format HUD will use to renumber duplicate building numbers available at:

http://www.hud.gov/offices/pih/systems/pic/ts/index.cfm

Tables 1 and 2 illustrate the process HUD will employ to handle duplicate building numbers using the fictitious PHA code of AA001. As shown in Table 1, PHA AA001 has two old project numbers (AA001001-00A and AA001002-000). The PHA decided to group buildings in these old project numbers into two asset management projects (AA001000444P and AA001000555P) because these building groupings best serve efficient and effective property management. Project AA001001-00A, building 001, is a senior tower located a distance from the other buildings. It was appropriately grouped as a separate project in accordance with PIH Notice 2006-10 that provided guidance for identification of asset management projects. The remaining old projects were grouped into one new project, AA001000555P. These new building groups resulted in duplicate building numbers within one of the AMPs.

Table 1 – Conversion from Existing Project Numbers to New Project Numbers					
Old Project Number (to be archived)		Current Building Number	Count of Units	AMP Number	New Project Number after Transition
Old Project Number	Suffix				
AA001001	00A	001	225	AA001000444P	AA001000444
AA001001	00A	002	25	AA001000555P	AA001000555
AA001001	00A	003	25	AA001000555P	AA001000555
AA001002	000	001	25	AA001000555P	AA001000555
AA001002	000	002	25	AA001000555P	AA001000555
AA001002	000	003	50	AA001000555P	AA001000555

When the same building numbers are grouped based on the "AMP Number" column, building numbers, "002" and "003" are not unique combinations with the AMP number. To address this problem, as shown in Table 2, HUD will give a prefix to the duplicate building numbers with the highest new project number.

Table 2 – New Project Numbers Without Duplicate Building Numbers						
Old Project N with Suffix archive	(to be	Current Building Number	Count of Units	AMP Number	New Project Number after January 1, 2008	New Building Numbers Renumbered Without Duplicates
Old Project Number	Suffix					
AA001001	00A	001	225	AA001000444P	AA001000444	001
AA001001	00A	002	25	AA001000555P	AA001000555	002
AA001001	00A	003	25	AA001000555P	AA001000555	003
AA001002	000	001	25	AA001000555P	AA001000555	001
AA001002	000	002	25	AA001000555P	AA001000555	B-002
AA001002	000	003	50	AA001000555P	AA001000555	B-003

Mixed Finance Projects

Mixed finance projects are projects where buildings are subject to a Regulatory and Operating Agreement (R&O) and have an ownership structure that includes a private entity. These projects require a separate project number from regular low rent public housing projects and buildings. Each mixed finance project should have only buildings associated with their distinct mixed finance agreement and ownership arrangement. PHAs will need to work with HUD field offices before December 1, 2007, to make any appropriate AMP changes to their building groupings related to mixed finance projects.

Administrative and Maintenance Buildings and the Central Office Cost Center

PHAs were to designate administrative buildings and central maintenance facilities associated with the Central Office Cost Center with an AMP number ending in "9999." Administrative and maintenance buildings that primarily serve only a project where they are located were to be folded under the same project number as the residential buildings they serve. PHAs should review their AMP numbering to insure these buildings were appropriately designated with either an AMP number ending in "9999" or the project number for the residential buildings being served. These buildings will also be converted to the new project numbers.

Buildings without AMP Numbers

There exist a small number of buildings that where not assigned AMP numbers by PHAs. PHAs are encouraged to review their portfolio to insure all buildings have been assigned AMP numbers. Buildings without AMP numbers will be automatically assigned an AMP number by HUD before the conversion to new project numbers. These buildings will be assigned AMP numbers based on a methodology determined by HUD available at:

http://www.hud.gov/offices/pih/systems/pic/ts/index.cfm

PHAs that do not Receive Operating Subsidy

All PHAs that have a public housing building inventory in PIC, regardless of whether they receive operating subsidy funding, will have their buildings converted to the new project numbers. Buildings without AMP numbers will be automatically assigned an AMP number by HUD before the conversion to new project numbers.

Schedule for Conversion Process

It is envisioned that the conversion will take place during the month of January 2008 in batches based on fiscal year ends. A schedule with specific dates will be posted at:

http://www.hud.gov/offices/pih/systems/pic/ts/index.cfm

After conversion has taken place for a batch, it will be announced on the PIC web pages at:

http://www.hud.gov/offices/pih/systems/pic/

PHAs will be able to begin submitting form HUD-50058 data using the new project numbers as soon as their conversion is completed.

4. Effect and Implications of Conversion to New Project Numbering System on PIC Program Data and PHA Data

The following items outline the scope and implications of the new project numbering system:

A. PHAs with an inventory of public housing buildings will participate in the conversion to new project numbers. The conversion will be performed by HUD in coordination

- with PHAs. PHAs are responsible for any synchronization of their information systems needed to meet their ongoing requirements for funding, reporting, and monitoring. PHAs are responsible for maintaining any historical data needed for ongoing funding, reporting, and assessment requirements.
- **B.** HUD's conversion of project numbers will introduce the new project number into use for public housing funding, reporting, and monitoring systems, except where otherwise specified by a HUD program office.
- **C.** PHAs will transition to using new project numbers in Annual and Five-Year Plans in accordance with guidance that will be published in a separate notice.
- **D.** PIC screens, reports, and other related system attributes will only use the new project numbers for PHA projects after the conversion takes place.
- **E.** The PHAS will also convert to the new project numbers.
- **F.** PHAs will be able to continue to submit tenant records (form HUD-50058) based on either the old project numbers or new project numbers until **January 31, 2009**. After this date, PHAs are required to submit form HUD-50058s based on the new project number. PIC will not accept form HUD-50058 submissions containing the old project number on and after **February 1, 2009**.
- **G.** HUD will provide a crosswalk report within PIC at the building level from the old project numbers to new project numbers, as well as maintain a crosswalk between old project numbers and new project numbers.
- **H.** Old project level information, such as project name and Date of Full Availability (DOFA), will be updated in accordance with a method provided in technical references on New Project Numbering System available at:

http://www.hud.gov/offices/pih/systems/pic/

I. PHAs will have the option of providing names for new projects after conversion to the new project numbering system. DOFA will be based on a weighted average DOFA date where a new project is the product of buildings grouped from two or more projects under the old project numbering system.

5. PHA Requests to Modify Building Groupings for New Projects after Conversion to the New Numbering System

Recognizing that PHAs may need to change the assignment of buildings to projects in the future after the conversion to new project numbers, a process for modifying building groupings is outlined below. Requests for changes in project building groupings will be initiated by PHAs and approved by the HUD field office with appropriate jurisdiction to authorize the change. Given that the public housing inventory is relatively stable and that sound asset management planning was used in the initial establishment of AMPs, requests for changes in building assignments under new project numbers (that will mirror AMP assignments) are expected to be

infrequent. Requests to change project building groupings will only be accepted when there is a sound asset management or property management reason grounded in PIH Notice 2006-10.

The following provides guidance for HUD and PHAs in making changes to project building groupings. Please note that this guidance is for changes to project groupings after conversion to the new numbering system described under Item 3 of this notice:

- **A.** A change in project building groupings is a change in the assignment of a building(s) from one new project number to another.
- **B.** The field office PIH Director or designee is authorized to approve changes in project building groupings based on guidance provided in notice PIH 2006-10 and related materials. No approvals should be granted that result in duplicate building numbers within a project.
- C. The addition of inventory through the public housing development process (pursuant to 24 CFR part 941) will be treated under current processes for adding new project buildings. New projects may be added to the inventory by HUD staff with a "target" DOFA date when the proper documentation (Annual Contributions Contract) has been executed by all parties involved.
- **D.** PHAs will limit requests for changes in building assignment to new project numbers to not more than once every two years, unless a significant change in inventory necessitates changes in building groupings at an earlier point in time. What constitutes a significant change in inventory will be determined by the field office. A general guide for determining a significant change will be whether the new projects involved have at least a 20 percent increase or decrease in buildings or units.
- **E.** PHA requests to change the assignment of buildings to new project numbers must be submitted in PIC at least 6 months before the PHA fiscal year beginning (FYB) if they are to be effective as of the beginning of the following PHA fiscal year. Requests will be entered in PIC as submitted, pending approval. Requests will be batch processed on a quarterly basis starting on the last day of the quarter. Requests received between quarters may begin review, but may be held until the last day of the quarter.
- **F.** HUD field offices will make an approval or denial determination in the first 60-day period from the PHA's review process starting date (6 months prior to PHA FYB).
- **G.** FYB submission dates. The request to change the assignment of buildings to new project numbers, which should be entered in PIC six (6) months before the PHA FYB and submitted to HUD, will be considered pending approval. If approved by the field office, a submitted request will become an "Approved/Effective FYB." Therefore:
 - · For PHAs with a FYB January 1st, the deadline will be June 30.
 - For PHAs with a FYB April 1st, the deadline will be September 31.

- For PHAs with a FYB July 1st, the deadline will be December 31.
- · For PHAs with a FYB October 1st, the deadline will be March 31.
- **H.** The effective date for the change in the assignment of buildings to new project numbers will be the next PHA FYB. Under PHAS, this effective date will mark the fiscal year for financial condition reporting requirements and physical condition inspections under the changed new project number building groupings. Where the timing of physical condition inspections or financial condition reporting requires historical data related to the former project configurations, the PHA shall cooperate in providing the information. Table 3 provides information regarding the project change timeline for approval and effective dates providing for a 60-day review by HUD field offices.

Table 3 – Project Change Timeline for Approval and Effective Dates Providing for Six-Month Review			
PHA FYB	PHA Submission Deadline	FO Approval/Denial Deadline	Effective Date for Approved Changes
1/1	6/30	8/31	1/1
4/1	9/30	11/30	4/1
7/1	12/31	2/28	7/1
10/1	3/31	5/30	10/1

- **I.** The same building location cannot exist in two projects. Projects must contain mutually exclusively buildings and building groupings in order to be validated.
- **J.** HUD will not approve the reassignment of buildings that have been "Removed From Inventory" to another project number.
- **K.** Buildings that are part of a mixed finance project or are owned by a legal entity other than the PHA and that are subject to a single Regulatory and Operating Agreement providing for a subsidy payment to a legal entity other than the PHA (i.e., as is the case in most mixed finance transactions) must be grouped as separate projects.
- L. Non-dwelling structures located in close proximity to dwelling structures and primarily serving those dwelling structures or the associated residents are to receive the same project number as the dwelling structures being served. PHAs are to assign non-dwelling structures not primarily associated with a single project, such as a central office building or central maintenance building, a project number ending in "009999."
- **M.** In situations where a PHA is subject to financing obligations to third parties, as outlined below, it will provide the field office with certain documentation in accordance with the following requirements:

- The PHA will submit an opinion by the PHA counsel that the proposed request to change building assignments is permitted under the legal agreement, or to the extent required, any approvals required under the identified legal agreements have been obtained.
- If the PHA is unable to provide such PHA counsel opinion, then the field office will deny approval of the proposed change.
- N. HUD field offices will provide the PHAs an electronic communication approving or denying requests to change building assignments. Effective dates will be part of an approval communication. The reasons for denial will be part of the communication denying project changes.

/s/ Orlando J. Cabrera, Assistant Secretary for Public and Indian Housing